

December 9, 2009

TO: NORMAJANE DAVALL, SURPLUS PROPERTY PROGRAM ADMINISTRATOR

FROM: SANDRA H. MCKINLEY  
STATE CONTRACT PROCUREMENT OFFICER II  
302.838.8067

SUBJECT: **AWARD NOTICE**  
**CONTRACT NO. GSS09030AUCTIONEER**  
Auctioneer Services

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## **KEY CONTRACT INFORMATION**

### **1. MANDATORY USE CONTRACT:**

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**REF: Title 29, Chapter 6911(d) Delaware Code.** Every state department and agency within the Executive Branch and Judicial Branch of the state government shall procure all material, equipment and nonprofessional services through the statewide contracts administered by Government Support Services, Office of Management and Budget. Delaware State University, Delaware Technical and Community College, the operations funded by Public School Districts, Delaware Transit Corporation, Department of Elections, the Legislative Branch and the Board of Pension Trustees and their consultants are specifically exempted from the requirements of this subsection.

### **2. CONTRACT PERIOD:**

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Each contractor's contract shall be valid for a two (2) year period from December 15, 2009 through December 14, 2011. Each contract may be renewed for three (3) one (1) year periods through negotiation between the contractor and Government Support Services. Negotiation may be initiated no later than ninety (90) days prior to the termination of the current agreement

### **3. VENDOR:**

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Mr. Stephen J. Miranti
Auction Liquidation Services
P. O. Box 1216
Eatontown, NJ 07724
Phone: 1-800-563-9740
Fax #: 1-732-542-2099
Email: <a href="mailto:steve@auctionlistservices.com">steve@auctionlistservices.com</a>
Federal E.I.# 154608389/000

### **4. SHIPPING TERMS:**

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F.O.B. destination.

### **5. PRICING:**

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Pricing structure will remain firm for the term of the contract year.

Percentage to be paid by the State:

Percentage to be paid by the State for onsite auctions: **2.86%**

Percentage to be paid by state for online silent auctions: **2.26%**

## **ADDITIONAL TERMS AND CONDITIONS**

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### **6. BILLING:**

The successful vendor is required to "Bill as Shipped" to the respective ordering agency(s). Ordering agencies shall provide at a minimum the contract number, ship to and bill to address, contract name and phone number.

### **7. PAYMENT:**

The agencies or school districts involved will authorize and process for payment each invoice within thirty (30) days after the date of receipt. The contractor or vendor must accept full payment by procurement (credit) card and/or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.

### **8. PRODUCT SUBSTITUTION:**

All items delivered during the life of the contract shall be of the same type and manufacture as specified unless specific approval is given by Government Support Services to do otherwise. Substitutions may require the submission of written specifications and product evaluation prior to any approvals being granted.

### **9. ORDERING PROCEDURE:**

Successful contractors are required to have either a local telephone number within the (302) area code, a toll free (800) number, or agree to accept collect calls. Each agency is responsible for placing their orders and may be accomplished by written purchase order, telephone, fax or computer on-line systems. The contractor or vendor must accept full payment by procurement (credit) card and/or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.

### **10. REQUIREMENTS:**

#### **1. BACKGROUND:**

The Delaware Surplus Services section for Government Support Services has the responsibility for acquiring and disposing of excess federal and state property in accordance with Title 29 Chapter 70 & 88 – Delaware Code. Delaware Surplus Services maintains a warehouse for reusable excess property acquired from agencies. One of the methods for disposing property is through public auctions. Delaware Surplus Services determines the property that is auctioned including but not limited to vehicles and heavy duty equipment.

## 2. **AUCTION REQUIREMENTS**

1. The state and the auctioneer shall agree prior to each sale on the hours and dates(s) of the sale. It is the state's intent to hold at least two (2) auctions per year.
2. Auctioneer shall advertise all sales at least two (2) weeks prior to the sale on his internet web page including pictures and the items available for sale.
3. Auctioneer shall mail out at their own expense, a state approved announcement to the state's list of customers and in addition, not less than 2,000 names of regular clients appropriate to the items offered for sale.
4. Auctioneer is required to visit and review auction site a minimum of one (1) day prior to the date of auction.
5. Auctioneer is responsible to coordinate the sales from the start to finish including but not limited to:
  - On-site advertising
  - Crowd control
  - Uniformed armed security guard
  - Money exchange
  - Distribution of individual receipts
  - Registration of complaints
6. Auctioneer shall provide the required number of clerks to ensure an efficiently operated auction. Personnel shall arrive on site a minimum of two (2) hours prior to the advertised time to begin registering bidders.
7. Auctioneer is responsible for all announcements at the auction pertaining to rules and requirements.
  - A. All property sold "as is, where is".
  - B. No warranties are expressed or implied.
  - C. All bidders must be eighteen (18) years of age. Identification is required
  - D. A refundable or deductible deposit of \$200.00 cash will be required at time of registration. Auctioneer is responsible for collecting the deposit.
  - E. All payment must be made in full during or immediately following the sale. Acceptable forms of payment are cash in U.S. currency, traveler's check or letter of credit.

All property must be removed from the premises. The state is not responsible for theft or damage, and any property left will be at the owner's risk. A storage fee of \$10.00 per day may be imposed.

8. Auctioneer shall provide a copy of the bill of sale for each sales transaction, a list of the registered bidder including the name, address and telephone and a list of items(s) with the sale prices.
9. Auctioneer shall issue to and in the name of Office of Management and Budget, Government Support Services, a certified check for the net proceeds of the auction (gross proceeds minus auctioneer's fee) within ten (10) working days after the date of each auction.

Award Notice

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The auctioneer must:

- Have two (2) years minimum online silent auction experience.
- Have references from agencies that currently utilize your on line services.
- Have an office staffed during normal business hours with a toll-free telephone and fax for customer inquiries and technical support.
- Handle all customer services before, during, and after the auction, to include invoicing, money collection, disbursement of funds to the state, and dispute resolutions.
- Have the capability to sell items subject to seller approval.
- Have the ability to post complete terms of sale in each auction listing.
- Have the ability to post complete description and photos of item in each auction listing with additional links in the listing (if necessary).

The auctioneer will:

- Provide after-auction sales summary reports in Microsoft Excel Format to include: bidders name, address, telephone, email, sale item, high bid price, with links to closed auction listing.
- Accept photos and item information from CD or email provided by the state.
- Be able to make payment of auction proceeds to sell with ten (10) business days after approval.
- Be able to accept company checks, credit cards, and wire-transfers to auction escrow account.

Additional Requirements:

- Payment: After payment is received, auctioneer must fax or e-mail the paid receipt to both purchaser and State Agency.
- Advertising: The auctioneer will be responsible for all advertising costs associated with the Auction. Advertising should include post cards/brochures, newspapers, trade publication and internet advertising.

**11. HOLD HARMLESS:**

The contractor agrees that it shall indemnify and hold the State of Delaware and all its agencies harmless from and against any and all claims for injury, loss of life, or damage to or loss of use of property caused or alleged to be caused, by acts or omissions of the contractor, its employees, and invitees on or about the premises and which arise out of the contractor's performance, or failure to perform as specified in the Agreement.

**12. NON-PERFORMANCE:**

In the event the contractor does not fulfill its obligations under the terms and conditions of this contract, the ordering agency may purchase equivalent product on the open market. Any difference in cost between the contract prices herein and the price of open market product shall be the responsibility of the contractor. Under no circumstances shall monies be due the contractor in the event open market products can be obtained below contract cost. Any monies charged to the contractor may be deducted from an open invoice.

**13. FORCE MAJEURE:**

Neither the contractor nor the ordering agency shall be held liable for non-performance under the terms and conditions of this contract due, but not limited to, government restriction, strike, flood, fire, or unforeseen catastrophe beyond either party's control. Each party shall notify the other in writing of any situation that may prevent performance under the terms and conditions of this contract.

**14. AGENCY'S RESPONSIBILITIES:**

The Agency shall:

- a. Examine and review in detail all letters, reports, drawings and other documents presented by the Contractor to the Agency and render to the Contractor in writing, findings and decisions pertaining thereto within a reasonable time so as not to delay the services of Contractor.
- b. Give prompt written notice to the Contractor whenever the Agency observes or otherwise becomes aware of any development that affects the scope or timing of the Contractor's services.